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ABSTRACT

This report describes 80 exemplary projects that were identified in a national survey of Job Training Partnership Act (JTPA) Title III projects. It examines the likely reasons for the success of eight of the projects and discusses the policy implications of the eight case studies. Of these eight projects only one (the job training project in Bartlesville, Oklahoma) failed to show a link between the services provided and higher wage and placement levels. In the case of the other seven projects, placement wages were generally higher than the average wages for listings and placements available through the local employment service, and the participants who received classroom skill training or on-the-job training generally obtained employment related to their training. Factors associated with positive training outcomes included extensive knowledge of local labor markets; individualized counseling and assessment with assistance tailored to specific workers; competent, rigorous interventions; and personal support and persistent follow-up to ensure program completion. Of the remaining seven programs, those in Akron, Ohio, and Suffolk County, New York, relied almost exclusively on placement-related activities. The programs in Joliet, Illinois, and Tacoma, Washington, placed particular emphasis on classroom training. The projects in Everett, Washington; Beaumont, Texas; and Santa Cruz, California, revolved around a combination of services that were planned on the basis of individualized assessments. (MN)

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United States General Accounting Office

GAO

Briefing Report to the Chairman, Committee on Finance, U.S. Senate

April 1987

DISLOCATED WORKERS

Exemplary Local Projects Under the Job Training Partnership Act

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United States
General Accounting Office
Washington, D.C. 20548

Human Resources Division

B-223485

April 8, 1987

The Honorable Lloyd Bentsen
Chairman, Committee on Finance
United States Senate

Dear Mr. Chairman:

This report responds to your request for information on exemplary Job Training Partnership Act (JTPA) title III dislocated worker projects. Specifically, the report (1) describes the characteristics of 80 projects with exemplary outcomes identified from our national survey of JTPA title III projects and (2) presents our analysis of the likely reasons for success for 8 of the exemplary projects we visited.

EIGHTY PROJECTS WITH EXEMPLARY OUTCOMES

Our comprehensive report on 563 local JTPA title III dislocated worker projects that operated from October 1982 through March 1985 (GAO/HRD-87-41, Mar. 5, 1987) showed that the projects reported an average placement rate of 69 percent and an average placement wage of $6.61 an hour. Further analysis identified 80 of these projects reporting both placement rates and wage levels above the national averages. Our comparison of these 80 projects to all JTPA title III dislocated worker projects showed that key project features may have contributed to their exemplary outcomes but that no single combination of factors was always associated with exemplary projects. For example, projects operated by employers and/or unions had above average results about three times more often than projects operated by other organizations, such as service delivery areas. According to project officials, one reason employer and/or union operated projects achieve above average results is their knowledge of the local job market and their contacts with local employers.

Projects that focused on a specific business closure or permanent layoff achieved above average results about twice as often as projects not having such a focus. One reason focused projects may be more likely to have achieved exemplary results is that they could intervene earlier, which is believed to facilitate the reemployment of workers.

CASE STUDIES OF EIGHT PROJECTS

To further analyze factors influencing above average outcomes, we selected eight projects for field visits based on such factors as geographic region, industrial bases, economic conditions, and project and participant characteristics. The projects are in:

-- Akron, Ohio.
-- Bartlesville, Oklahoma.
-- Beaumont, Texas.
-- Everett, Washington.
-- Joliet, Illinois.
-- Santa Cruz, California.
-- Suffolk County, New York.
-- Tacoma, Washington.

For these eight projects, we first confirmed that the reported placement and wage rates were adequately documented and then made a judgment as to whether the intensity and nature of services provided might be expected to substantially benefit project participants. We visited each project to obtain information on project activities, participant characteristics, performance measures, and relations with local employers through June 30, 1986. While the scope of our analysis did not allow us to show a direct correlation, we believe it is sufficient for us to judge whether a project's activities might be expected to benefit the dislocated workers served.

We conclude that there was an apparent link between the services provided to participants and the outcomes achieved for all projects, except Bartlesville. In the Bartlesville project, while the wage and placement levels were as reported and most of the participants received classroom training, many obtained jobs that were in unskilled, service occupations not related to the training provided. Therefore, we could not conclude that an apparent link existed between project outcomes and project interventions.

COMMON THREADS OF SUCCESS...

For the seven projects with an apparent link between the services provided and the outcomes achieved, the average placement wages were generally higher than the average wages for listings and placements available through the local Employment Service. In addition, participants who received classroom skill training or on-the-job training generally obtained employment related to their training. We believe the intensity and breadth of services provided to dislocated workers helped achieve these positive results. The common threads we observed were

-- extensive knowledge of local labor markets;
-- individualized counseling and assessment with assistance tailored to specific workers;

-- competent, rigorous interventions; and
-- personal support and persistent follow-up to assure program completion.

...AMONG DIVERSE APPROACHES

The seven projects also demonstrated that a variety of approaches can aid dislocated workers and that no particular set of activities is necessarily superior. Each of the seven title III projects emphasized placement assistance as an integral part of their project's activities; however, two projects, Akron and Suffolk County, relied almost exclusively on placement-related activities to achieve their results. The ability of these projects' staff to locate and develop appropriate job openings and on-the-job training opportunities with local employers and to match participants' skills with employer needs stemmed from their knowledge of the local labor market, their extensive contacts with local employers, and their good reputation with those employers.

Job placement in Akron, for example, gave each participant personal counseling, skill assessment, job readiness training, and training including interviewing techniques. Participants were thoroughly evaluated by project staff to determine their marketable job skills. The project's job developers, who had extensive contacts with local employers, effectively matched participants to jobs that utilized their existing skills. This contributed to the project's average placement wages being higher than those generally available through the local Employment Service.

While all seven projects provided classroom training to some of their participants, Joliet and Tacoma particularly emphasized such training, providing it to over half of their participants. Both projects provided extensive up-front counseling to determine career interests and aptitudes and to assess participant training needs. Additional support services provided to participants included personal counseling and referral to sources of financial support, which was often necessary to allow participants to complete training.

Training in Joliet was provided through the local junior college. The staff conducted extensive personal assessment and career counseling to identify relevant training programs for participants. Because the courses of training at the junior college averaged 39 weeks, financial assistance was a critical need for some participants. The Joliet staff worked individually with participants to assess their financial needs and helped them obtain support to allow them to complete their training. Staff also maintained close contact

with participants to provide encouragement and help with problems which might jeopardize completion of the training.

The remaining projects, Everett, Beaumont, and Santa Cruz, achieved their results through a combination of activities. These projects were comprehensive yet flexible in their approach. Each participant's plan identified the services to be provided based on an individualized assessment.

Combinations of assistance in Beaumont, for example, were based on project staff's detailed employability assessment of each participant. This assessment focused on determining a participant's likelihood of reemployment in the local economy based on his/her existing skills. If the staff determined that a participant needed retraining to secure permanent employment, training was provided through local trade schools or on-the-job training. Conversely, if a participant's existing skills were sufficient to reenter the work force, the participant was provided direct placement assistance.

POLICY IMPLICATIONS

As the Congress analyzes various proposals to expand or modify programs assisting dislocated workers, certain of the lessons learned from our review should be helpful. Namely:

-- Allowing states the flexibility to select sponsors, as opposed to channeling all funds through service delivery areas, has proven successful.
-- Having project staff with expert labor market knowledge was a key ingredient to success.
-- Intervening early facilitated worker reemployment.

As requested by your office, we did not obtain agency comments on this report and, as agreed, unless you publicly announce its contents earlier, we plan no further distribution of this document until 15 days after its issue date. At that time we will send copies to the Senate Committee on Labor and Human Resources and House Committee on Education and Labor, the Secretary of Labor, and other interested parties.

Should you wish to discuss the information provided, please call me on 275-5451.

Sincerely yours,

William J. Gainer

William J. Gainer
Associate Director

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ABBREVIATIONS

GAO	General Accounting Office
JTPA	Job Training Partnership Act
OJT	on-the-job training
PIC	private industry council
SDA	service delivery area

DISLOCATED WORKERS

Exemplary Local Projects Under the Job Training Partnership Act

BACKGROUND

With the enactment of the Job Training Partnership Act (JTPA) in October 1982, the Congress created a program specifically directed at helping workers dislocated by business closures or permanent layoffs. Administered by the Department of Labor, title III of the act provides funds to state governments for establishing programs to help dislocated workers become reemployed. States may administer the program through existing state agencies or distribute funds to local organizations, such as community-based organizations, educational institutions, employers and/or unions, or the service delivery area-private industry councils (SDA-PIC)[1] (which consist of members from the private sector, organized labor, community-based organizations, economic development agencies, and the public employment service) to provide the assistance to dislocated workers. Title III may provide assistance in the form of training, job placement, worker relocation assistance, or supportive services such as child care and transportation while in training.

For the period October 1982 through June 1986, $650 million in federal funds was made available for the title III program. During that period about 400,000 dislocated workers were enrolled in the program. According to JTPA individuals eligible for the title III program are those who

-- have been terminated or laid-off or who have received a notice of termination or layoff, are eligible for or have exhausted their entitlement to unemployment compensation, and are unlikely to return to their previous industry or occupation;

-- have been terminated or who have received a notice of termination of employment as a result of any permanent closure of a plant or facility; or

-- are long-term unemployed and have limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individuals reside, including any

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[1]The SDA is the substate unit established by JTPA to administer assistance to the economically disadvantaged under title II. For a detailed discussion of the administration of JTPA, see Job Training Partnership Act: Initial Implementation of Programs for Disadvantaged Youth and Adults (GAO/HRD-85-4, Mar. 4, 1985).

older individuals who may have substantial barriers to employment by reason of age.

To assist the Congress in its oversight of JTPA, we surveyed all title III projects operating between October 1982 and March 1985. In our report on these projects, Dislocated Workers: Local Programs and Outcomes Under the Job Training Partnership Act (GAO/HRD-87-41, Mar. 5, 1987), we reported that most projects had relatively high placement rates and wage levels. The average placement rate for the 563 projects responding to our questionnaire was 69 percent, and the average placement wage level was $6.61 per hour. However, substantial variations in placement rates and wage levels occurred among projects. For example, 58 percent of the title III projects reported placement rates that exceeded the 69-percent average, while 14 percent had placement rates below 40 percent. In addition, 32 percent of the projects reported placement wage levels above the $6.61 average, while 28 percent reported wage levels of $5.00 or less.

OBJECTIVES, SCOPE AND METHODOLOGY

On November 5, 1986, we were asked to provide the Chairman, Senate Committee on Finance, information on

-- the general characteristics of exemplary JTPA title III dislocated worker projects and

-- the likely reasons for success for several exemplary projects.

To identify exemplary title III projects, we reviewed the questionnaire results for the 563 projects to identify those that had both placement and wage rates higher than the national averages of 69 percent and $6.61 an hour, respectively. Our definition of exemplary projects is based on a project's ability to achieve above average results on both performance measures since it is likely that achieving above average results for both measures was more difficult than achieving above average results for either. We identified 80 projects meeting these qualifications and analyzed their characteristics.

To assess the likely reasons for the projects' exemplary outcomes, we selected for additional analysis eight projects, from different regions of the country, with different industrial bases and a variety of local economic conditions. In selecting these sites, we considered such factors as the project operator, participant characteristics, and the mix of services provided. The eight projects selected are located in:

-- Akron, Ohio.

-- Bartlesville, Oklahoma.

-- Beaumont, Texas.

-- Everett, Washington.

-- Joliet, Illinois.

-- Santa Cruz, California.

-- Suffolk County, New York.

-- Tacoma, Washington

We sent data collection forms to all eight projects to update information on their project activities, participant characteristics, and performance measures for program year 1985 (July 1, 1985, to June 30, 1986).

We also visited each project site to confirm that they had adequate documentation for their reported results and then made a judgment as to whether the extent and nature of services provided might be expected to substantially benefit project participants. During each visit we interviewed project officials, a few project participants, some local area employers, and local Employment Service officials. We also observed project participants engaged in various project activities.

Through our analysis of project wage and placement data, we were able to confirm that the performance data provided by project officials were adequately supported. Further, our comparison of project data with local Employment Service wage and placement data enabled us to determine if the average placement wage of participants was generally greater than average beginning wages in the area. The Employment Service data provided the most readily available information on job openings and wage levels. Based on our discussions with project officials and participants and our analysis of project records of training provided to participants and their placement, we were able to make a judgment as to whether the jobs obtained were related to the training received.

The information obtained through our interviews and our personal observations enabled us to make a judgment about the extent and nature of the assistance provided, such as individual assessment, job counseling, personal counseling, skill training, job search training and placement assistance, and the support provided to project participants to ensure their completion of program activities. In addition, we assessed the project staff's knowledge of local labor market conditions, and the project's ability to match the services provided to dislocated workers with the skill demands of local employers, and the quality of the assistance and services provided.

While the scope of our analysis did not allow us to show a direct correlation between project activities and their outcomes, we believe we gathered sufficient information to judge whether the project's activities might be expected to have substantially benefited the dislocated workers served.

Our work was performed between November 5, 1986, and January 30, 1987, and conforms with generally accepted government audit standards. The information from these visits and our data analysis provide the basis for this report.

EIGHTY PROJECTS WITH EXEMPLARY OUTCOMES

Our comparison of the 80 projects with above average outcomes to all JTPA title III dislocated worker projects showed differences in aggregate characteristics in five areas:

-- Project operator.

-- Project focus on specific closures or layoffs.

-- Size of projects.

-- Proportion of projects with a higher than average emphasis on classroom training.

-- Proportion of women in the program.

Limitations in available data did not allow us to analyze the extent to which other factors, such as the quality of project management and staff experience, individual participant characteristics, and local labor market conditions, may have also influenced project outcomes. However, we believe the patterns identified in our analysis indicate that certain program aspects might be associated with exemplary project outcomes.

For example, 18 of the projects (23 percent) with exemplary results were operated by employers and/or unions. In comparison, 52 (9 percent) out of the 563 projects in our nationwide survey were operated by employers and/or unions. Further analysis of the projects showed that 35 percent of projects operated by employers and/or unions achieved exemplary results, almost three times more than projects of other operators. One of the explanations offered by project officials for the greater percentage of exemplary results in projects operated by employers and/or unions is their greater knowledge of the job market and contacts with local employers.

Similarly, 41 of the projects (53 percent) with exemplary results focused on a specific closure or layoff. In contrast, 204 (or 38 percent) of the projects in our national survey focused on a specific event or population. Further analysis showed that the percentage of projects focused on a specific closure or layoff achieving exemplary results was almost double that of other projects. About 20 percent of the projects that focused on a specific event or population had exemplary results compared to 11 percent of the remaining projects. We believe projects that focus on a specific closure or layoff have a greater incidence of exemplary results because these projects are more likely to intervene at the worksite, where workers are more comfortable, and the intervention is likely to occur earlier than with other

projects, which may facilitate the reemployment of affected workers.

We also found differences in our comparison of projects with exemplary outcomes and all projects in our national survey in the percentage of projects serving 50 or fewer participants and those emphasizing[2] classroom training. However, our analysis of the percentage of projects with these characteristics achieving exemplary results showed that the differences were relatively small. Of the 201 projects in the nationwide survey that served 50 or fewer participants, 20 (10 percent) had exemplary results compared to 17 percent of larger projects. About 12 percent of the projects emphasizing classroom training had exemplary results, as did a similar proportion of projects emphasizing on-the-job training (OJT). In contrast, about 18 percent of the projects not emphasizing classroom training and 15 percent of the projects not emphasizing OJT had exemplary results. Thus, a focus on particular activities alone is insufficient to ensure a project's success.

We also noted that the proportion of women in projects with exemplary results was less than the proportion found in our nationwide survey. About 40 percent of all title III participants were women, compared to 25 percent in the projects with above average outcomes. However, about 31 percent of the general population of dislocated workers are women, indicating that women are not substantially underepresented in the exemplary projects.

While no single set of characteristics was always associated with exemplary projects, our analysis indicates that certain project attributes may influence project outcomes. For example, extensive labor market knowledge and contacts with local employers, as well as early intervention, appear to be associated with exemplary outcomes for many projects.

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[2]A project's greater emphasis on an activity (classroom training, remedial training, on-the-job training, job counseling or job search) is based on questionnaire results showing that more than 25 percent of project participants received such assistance.

Job Training Partnership Act Title III
Analysis of Eighty Projects With
Above Average Performance

Project Characteristics	Above Average Projects	All Projects
Number of Projects	80	563
Project Size (Percent)		
Small: 0 - 50 Participants	26	38
Medium: 51 - 200	40	36
Large: More than 200	34	27
Activities (Percent of Projects with a Greater Emphasis on these Activities)		
Job Counseling	80	84
Job Search	75	76
Remedial Training	4	9
Classroom Training	41	51
On-the-Job Training	28	32

Project Characteristics	Above Average Projects	All Projects
Project Operators (Percent)		
Employer / Union	23	9
Public	27	26
SDA / PIC	25	31
Educational Institution	20	26
Other	5	9
Percentage of Participants		
Age 55 and Older	8	8
Non-High School Graduate	15	22
Minorities	28	31
Women	25	40
Focus on Specific Closing or Layoff (Percent)		
Yes	53	38
No	47	62

SUMMARY OF THE EIGHT PROJECTS SELECTED FOR ADDITIONAL ANALYSIS

Background/Economic Conditions

The eight JTPA title III projects chosen for review are geographically dispersed and are located in areas having different industrial structures and economic conditions. Two of the projects are in Washington State. The Tacoma project was established to assist the workers dislocated by the closure of a copper smelting facility. The Everett project has served workers from the manufacturing industry as well as other workers. One project is in Santa Cruz, California, an area where the economy is a mixture of seasonal tourist industries, agriculture, and "high tech" electronics industries. Two projects--Akron, Ohio, and Joliet, Illinois--are in the nation's industrial heartland. Two projects are in the oil states of Texas (Beaumont) and Oklahoma (Bartlesville), and one is in a rapidly growing suburb of New York, Suffolk County. Four of the projects (those in Texas, Oklahoma, Ohio, and Illinois) are in regions that experienced high rates of business closures and permanent layoffs during 1983 and 1984, particularly in the manufacturing sector.[3]

The average unemployment rate in the areas served by the eight projects during program year 1985 (July 1985-June 1986) ranged from 4.7 percent in Suffolk County to 15.6 percent in Beaumont. While the unemployment rate in the Bartlesville area averaged 6.6 percent, it was 4.8 percent at the beginning of the year and increased throughout the year to 9.2 percent in June 1986. The other five projects operated in areas where the unemployment rate was between 8 and 8.7 percent, significantly higher than the 7.1-percent national average unemployment rate for the year.

Project Characteristics

These eight title III projects were operated by various state and local organizations. Three of the projects were operated by SDA/PICs (Akron, Suffolk County, and Santa Cruz) and two by educational institutions (Bartlesville and Joliet). The two Washington State projects were operated through the state Employment Service, and the Beaumont project was operated by a nonprofit, community-based organization.

Although all eight projects offered a variety of services, including placement assistance,[4] classroom training, and OJT,

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[3]U.S. General Accounting Office, Dislocated Workers: Extent of Business Closures, Layoffs, and the Public and Private Response (GAO/HRD-86-116BR, July 1, 1986).

[4]Includes job counseling and job search assistance activities.

they varied in their emphasis on these activities. Three projects (Bartlesville, Joliet, Tacoma) provided classroom skill training to over 50 percent of their participants, while two projects (Suffolk County, Santa Cruz) provided OJT to over 50 percent of their participants. While all eight projects provided some placement assistance, six provided placement assistance to 85 percent or more of their participants.

The eight projects ranged in size from 54 participants served in Santa Cruz to 917 served in Joliet during program year 1985.

Participant Characteristics

For the eight projects, the percentage of women served ranged from 3 percent (Tacoma) to 43 percent (Santa Cruz), and the percentage of minorities served ranged from 6 percent (Everett) to 41 percent (Suffolk County). Three of the projects served 9 percent or more of participants age 55 and older (Akron, Everett, Tacoma), while the other projects served at least 2 percent of such participants. Seven projects served less than 20 percent of participants with less than a high school education, while one-quarter of Suffolk County participants had less than a high school education.

Project Outcomes

Seven of the eight projects had placement rates of 75 percent or more for program year 1985 (July 1, 1985, through June 30, 1986). The lone exception--Beaumont--had a placement rate of 65 percent. This apparent low rate is the result of recent changes in Texas' performance reporting requirements, and does not fully reflect the project's actual performance.[5] In program year 1984, for example, Beaumont's placement rate was 85 percent.

Four of the eight projects had average placement wages greater than $7.00 per hour. Four of the eight placed participants at wages lower than the wage level used for selecting exemplary projects and below the national average of $6.61 per hour for that period;[6] however, the average placement wage level in all eight projects was higher than wages generally available through the local Employment Service.

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[5]The change in reporting began in program year 1985. The new reporting requirements indicated that the placement rate be all placements made during the year as a proportion of all program participants, not only terminees.

[6]It was beyond the scope of this report to calculate the average wage rate for JTPA title III projects operating during program year 1985 and determine if the average placement wage had changed.

The average cost per placement for the eight projects ranged from $636 in Bartlesville to $3,332 in Tacoma; however, the cost per placement does not appear to be related to project outcomes. The cost per placement apparently depended on the mix and cost of the individual activities provided and the extent to which other subsidies were involved. It does not necessarily reflect the extent or rigor of those services. For example, in Joliet, where classroom training was emphasized, tuition at the state-supported Joliet Junior College averaged about $18 per credit hour. In Tacoma, which also emphasized classroom training but obtained that training from a variety of local sources, the cost of training was much higher, averaging over $1,500 per trainee.

Job Training Partnership Act Title III
Overview of Eight Dislocated Worker Projects

	Akron Ohio	Bartlesville Oklahoma	Beaumont Texas	Everett Washington
Unemployment Rate (%)	8.4	6.6	15.6	8.1
Project Operator	SDA / PIC	Vocational Tech. Institute	Community Organization	State Employ. Service
Number of Participants	281	245	848	174
Percent Served in Activities				
Placement Assistance	100	40	100	85
Classroom Training	11	98	16	25
On-the-Job Training	4	2	10	7
Percent of Participants				
Women	30	40	30	14
Minorities	14	18	34	6
55 Years and Older	11	2	4	9
Non-High School Graduate	19	9	8	11
Program Performance Measures				
Placement Rate (%)	82	84	65	78
Mean Placement Wage ($/Hr)	6.48	6.00	7.04	7.92
Cost / Placement ($)	1,508	1,600	1,863	968

Job Training Partnership Act Title III
Overview of Eight Dislocated Worker Projects

Joliet Illinois	Suffolk County New York	Santa Cruz California	Tacoma Washington	
8.0	4.7	8.7	8.2	Unemployment Rate (%)
Community College	SDA / PIC	SDA / PIC	State Employ. Service	Project Operator
917	219	54	338	Number of Participants
Percent Served in Activities				
90	17	100	100	Placement Assistance
55	8	30	62	Classroom Training
4	85	56	5	On-the-Job Training
Percent of Participants				
35	22	43	3	Women
33	41	33	13	Minorities
5	4	4	9	55 Years and Older
18	25	11	14	Non-High School Graduate
Program Performance Measures				
86	75	77	83	Placement Rate (%)
8.27	5.61	5.50	10.24	Mean Placement Wage ($/Hr)
1,120	1,440	3,317	3,332	Cost / Placement ($)

Assessment of Project Activities

In seven of the eight projects we visited (all except Bartlesville), we concluded that there was an apparent link between the assistance provided to participants and the results achieved by the project. For these seven projects, the average placement wages were higher than the average wages for listings and placements available through the local Employment Service. Generally, participants who received training--classroom, skill, or OJT--obtained employment related to their training. In addition, the intensity and breadth of services provided to dislocated workers by the seven projects, in our opinion, helped to achieve these positive results.

We identified several features common to the seven projects that we believe contributed to the achievement of exemplary outcomes. Project staff had developed expert knowledge of local labor markets, including the identification of job openings and their skill requirements. Staff also developed an extensive network of local employer contacts and acquired an excellent reputation with them by providing appropriately skilled workers. Working one-on-one with participants, staff identified participant interests and skills and helped them develop a specific strategy that would enable them to compete effectively in the job market. The staff then helped participants implement these individually tailored strategies. The projects' activities (such as assessment, job search training, occupational skill training, OJT and placement assistance) were in our opinion rigorous and competent. In addition, persistent tracking of participants in the projects contributed to their successful completion. Project staff worked with participants to identify any personal or financial problems that might jeopardize the successful completion of their individual reemployment strategy. When needed, project staff helped participants identify and acquire financial aid, personal counseling, or other support services.

In the eighth project (Bartlesville), while we confirmed that the wage and placement rates were as reported, we could not conclude that an apparent link existed between project outcomes and the assistance provided participants. We found that many of the participants obtained jobs that were in unskilled, service occupations not related to the training provided.

The seven projects for which we identified an apparent link between the assistance provided and the outcomes achieved demonstrated that a variety of approaches can be taken to aid dislocated workers. In addition, we believe that no one set of activities achieved better results or was more effective than any other. For example, each of the seven projects stressed placement assistance as part of its activities. However, the projects in Akron and Suffolk County relied almost exclusively on placement-related activities to achieve their results. The Akron

project focused on placing participants in jobs that capitalized on skills acquired in their prior jobs. The Suffolk County project relied on OJT as a placement activity because project participants were generally low-skilled, long-term unemployed who might not have been hired without the wage subsidy accompanying the OJT placement. These OJT experiences provided participants with new skills and resulted in permanent positions. In both locations the ability of project staff to locate appropriate job openings and match participants' skills to the needs of employers was facilitated by the staff's knowledge of the local labor market. In addition, the staff in each location had developed (1) extensive personal contact with local employers and (2) an excellent reputation with local employers for providing good quality referrals.

Two of the projects, Tacoma and Joliet, emphasized classroom training to give dislocated workers the necessary skills to become reemployed. While all projects provided classroom training to some of their participants, these two projects provided such assistance to more than half of their project's participants. According to project officials, an extensive interest, skills, and ability assessment was provided to participants to determine their training needs. In Joliet a local junior college was the project operator and provided all of the classroom training. In Tacoma the training was arranged through several sources, such as the local community college or vocational institute or courses provided exclusively to project participants on a contract basis. The projects' results were achieved through a combination of an excellent assessment process, good quality training, and the individualized support of project staff to give participants the financial and emotional means to complete the training. The additional support services provided to participants were perhaps the key ingredient contributing to the completion of training for many project participants. The range of services offered included personal counseling, referral to relevant social service agencies, assistance in applying for Pell Grants or Guaranteed Student Loans, and assistance in obtaining part-time or temporary employment to help pay the bills while enrolled in training and management and marketing training for individuals interested in starting their own business.

The remaining projects, Beaumont, Everett, and Santa Cruz, achieved their results through a combination of activities, including job search assistance, direct placement, OJT, or classroom training. These projects were flexible in their approach. The assistance provided to participants was based on an individual employability assessment. In the Beaumont and Everett projects, staff assessed whether a participant required retraining before placement in the local labor market was likely. In Santa Cruz, over half of the project participants were involved in OJT, and 30 percent participated in classroom

training. In Everett and Beaumont less than a third of the project participants were involved in either classroom training or OJT activities, but essentially most participated in job search activities.

POLICY IMPLICATIONS

As the Congress analyzes various proposals to expand or modify programs assisting dislocated workers, certain lessons learned from our review of successful title III projects should be helpful. Namely:

-- Allowing states the flexibility to select sponsors from a variety of operating organizations, as opposed to channeling all funds through service delivery areas, has proven successful.

-- Having project staff with expert labor market knowledge and extensive contacts with local employers was a key ingredient to success.

-- Focusing projects on specific closings or layoffs facilitated the reemployment of workers.

AKRON, OHIO

Background/Economic Setting

The JTPA title III dislocated worker program in the Akron area serves Summit and Medina Counties in northeastern Ohio, including the city of Akron, its suburbs, and rural countryside. This project is operated by the local private industry council of the service delivery area. The project has been in operation since PPG Industries, a major employer in the area, announced a major layoff in 1983, and the PIC received funding to assist those workers dislocated in their transition to new jobs.

The area has been experiencing a major reorientation in its industrial structure for more than a decade. Several major plant closings and permanent layoffs have occurred in the area, primarily in the manufacturing sector. Akron was formerly the tire capital of the United States, but today few passenger tires are produced there. The unemployment rate averaged about 6.8 percent in the area during the 1985 program year (July 1, 1985-June 30, 1986), and 8.6 percent in the city of Akron, above the national annual average unemployment rate of 7.1 percent for the same time period.

The area's economy has shifted from a reliance on several large employers dominated by manufacturing, which accounted for nearly 40 percent of employment in 1970, to a more diverse industrial structure. In 1986 manufacturing industries accounted for less than a quarter of employment, a decline in manufacturing employment of more than 10 percent, while total employment in the area increased by over 13 percent to about 295,000.

While the project was originally funded to serve workers dislocated as the result of the closure of a major portion of a PPG Industries facility, the program currently serves dislocated workers from a wide variety of manufacturing industries and occupations. In addition to funding to provide assistance to any dislocated worker in the area, it is also operating under a JTPA title III grant targeted specifically to provide reemployment and retraining assistance to workers dislocated from the Goodyear Tire and Rubber Company.

Participant Characteristics

During program year 1985, the project provided assistance to 281 area workers. About 11 percent were 55 years of age or older, and 19 percent had less than a high school education. Seventy percent were male and 14 percent were minorities. Most participants had stable work histories and were semiskilled to highly skilled workers from the manufacturing sector.

Project Outcomes

During program year 1985 the Akron project placed 82 percent of project terminees into employment. The average wage at placement was $6.48 per hour, with 21 percent earning less than $5.00, and nearly one-third earning $7.00 an hour or more. The wages paid to workers placed by the Akron office of the Employment Service averaged $4.35 per hour. Some participants advised us that before enrolling in the Akron dislocated worker program, they had obtained work through the Employment Service office but at lower wages. The average cost per placement for program year 1985 was $1,508. This cost included 11 percent of participants receiving classroom training at $3,500 to $4,700 per participant.

Project Activities

The Akron title III project emphasizes the need for job counseling and placement assistance to facilitate the reemployment of project participants. Project officials believed that the most effective and efficient use of their resources was to place project participants directly into new jobs. To assist participants and prepare them for reentry into the work force, project staff developed a job search workshop which, according to project officials, was provided to all participants. First, through group discussion with a staff counselor and other dislocated workers, the workshop helps participants deal with the anger and frustration that may occur when individuals are initially dislocated. For example, a beverage delivery and sales worker told us that he initially saw himself as old and that he might have difficulty becoming reemployed. After program counseling, however, he realized not only that 52 was not old, but also that he had over 20 years of work experience to offer a future employer. The next part of the workshop is an individual assessment of workers' skills and preference for either retraining or direct placement in a new job that utilized their existing skills. The final phase of the workshop develops participants' job search skills, including resume preparation, interviewing techniques, and the identification of job openings.

The key to the above average performance of this project in our opinion was the staff's knowledge of the local labor market and its ability to match project participants to employment opportunities that used their existing skills. The staff job developers, working full time to identify job openings, developed extensive contacts with local employers, several of whom had hired more than one participant.

Occupational skill training and OJT were also available to project participants. While 85 percent of project placements were made without additional skill training in program year 1985, 11 percent of participants received classroom skill training,including vending machine repair or machinist training

offered through a local privately funded vocational school. Four percent of project participants received OJT.

According to project officials, because most participants who entered the project were semiskilled to highly skilled, they generally did not require retraining to become reemployed if appropriate employment opportunities were available in the area. Direct job placement for such workers was often the first approach tried by this project. For example, one participant was a former truck driver for a beverage distributor. He was placed with a distributor of snack foods as a driver/salesperson. His job involves generating new business as well as restocking current clients. The job pays a base salary plus commission, providing annual income of between $20,000 and $32,000.

One company that not only hired direct placements, but also provided OJT, was a manufacturer of rigid foam insulation. The OJT participants were brought in through the packaging and quality control stages of the production process and later, as openings became available, had the opportunity to compete for other positions. The starting wage at this facility was $5.88 per hour with the potential of moving into positions that paid as much as $11.25 per hour.

Conclusion

Because of this project's personal counseling, extensive job search assistance, and teaching of job search skills, we believe workers who might have settled for jobs paying less, or who might have been unemployed for a longer time, were able to capitalize on their prior job skills and enter jobs with higher wages.

BARTLESVILLE, OKLAHOMA

Background/Economic Setting

This JTPA title III project in northeastern Oklahoma is administered by the Tri-County Area Vocational Technical School (Tri-County Tech) in Bartlesville. The school is a local public educational institution providing vocational skill training to about 5,000 adults and secondary school students. It also provides services to dislocated workers from the city of Bartlesville and the balance of Washington County, as well as Osage, Nowata, and other surrounding counties.

Tri-County Tech is a subgrantee of Oklahoma's Department of Technical and Vocational Education, grantee of all nondiscretionary JTPA title III funds for the state from the Oklahoma Department of Commerce. The school has administered the local JTPA title III program since 1984.

Northeastern Oklahoma is an area of rolling plains dotted by small towns, grazing cattle, and oil wells. It is sparsely populated, with about 100,000 people residing in Washington, Osage, and Nowata Counties, which cover over 3,200 square miles. Rural and urban economies are dominated by energy and livestock production. Over one-third of the area's workers are employed in Bartlesville (Washington County), location of the area's two largest employers, Phillips Petroleum Company and TRW Reda Pump. The labor demands of these employers led to a concentration of high-wage skilled workers.

Marked declines in oil and agricultural prices in recent years left the local economy with increasing unemployment. In July 1985, area unemployment was 4.7 percent for the tri-county area. By June 1986, the unemployment rate nearly doubled, reaching 9.2 percent, above the national annual average of 7.1 percent. Since 1985, Phillips Petroleum has laid off nearly half of its 9,000 local employees. The TRW Reda Pump facility also reduced its labor force, laying off 700 of 1,200 employees. Smaller businesses, dependent on these larger employers and their employees for revenues, have also been laying off workers.

Participant Characteristics

During the 1985 program year (July 1985 through June 1986), the Tri-County Tech title III project provided services to 245 dislocated workers. Two percent of participants were 55 years old or older, and 9 percent had less than a high school education. Sixty percent were male and 18 percent were minorities. According to program officials, dislocated workers served by this project included a combination of administrative support and clerical workers and skilled and semiskilled workers.

Project Outcomes

In program year 1985, the project placed 84 percent of project terminees at an average hourly wage of $6.00. We examined project records for the 28 participants who found jobs since July 1986. While the average hourly wage for these participants was about $6.24, only seven had obtained jobs related to their field of training. Project records show that wages were higher for participants placed in the occupation for which they were trained, earning an average hourly wage of $8.65. Participants finding employment not related to their training generally worked in service occupations earning an average hourly wage of $5.29. The average cost per placement was $636.

Tri-County Tech officials said that training curriculums are designed to improve general employability, as well as provide specific skill training, and that this improved their ability to find a job in a tight labor market, even if that meant a job unrelated to their training. They also noted that a lack of adequate financial support for living expenses kept many participants from continuing in a full-time training course.

An official at the local office of the Oklahoma Employment Security Commission told us that jobs paying above minimum wage ($3.35 per hour) were difficult to find in northeast Oklahoma. Jobs available through their office offered an average hourly wage of $4.65.

Project Activities

Project officials told us that assistance generally was provided to dislocated workers using the Tri-County Tech school's existing personnel and facilities. During program year 1985, all 245 project participants attended vocational skill training classes. Remedial training was provided to 4 percent of these participants, and 2 percent received OJT. Other services included aptitude assessment, interest inventory, and job search assistance.

Dislocated workers were referred to this title III project by the local Employment Service, which identified and certified workers eligible for the program. The school also sought to attract dislocated workers to the program through advertisements in local newspapers. At a participant's request, a trained counselor administered tests to assess an individual's skills, aptitude, and areas of interest. Special seminars have been provided in resume writing, interviewing techniques, and how to conduct an effective job search. The school's placement director and course instructors informed students of available jobs in the area. The school's job information center provided information on employment opportunities.

The school provided vocational training for a variety of occupations in service, manufacturing, and construction industries. Examples of occupational training available include microcomputer operator, bank teller, cosmetology, computer technician, offset printing, engine repair, environmental control, welding, carpentry, and masonry. Depending upon the chosen course of study, training could take as little as 1 month or last up to 2 years of full-time coursework. Most training, however, requires at least 1 academic year of instruction.

Conclusion

Although we confirmed that this title III project achieved the wage and placement levels reported, we could not identify an apparent link between project interventions and project results. While Tri-County Tech JTPA title III participants received job skill training, most participants obtained new jobs unrelated to the training provided by the program, with many of these in unskilled, service occupations.

BEAUMONT, TEXAS

Background/Economic Setting

The South East Texas Regional Planning Commission, the service delivery area, funded two JTPA title III projects to serve Jefferson, Orange, and Hardin Counties: Project Start, operated by Programs for Human Resource Services, Inc. (PHS), a nonprofit, community-based organization, and the Golden Triangle Worker Assistance Program, operated jointly by the Texas Employment Commission and the AFL-CIO. Our analysis focused on Project Start.

Before 1982, employment in the oil refinery and petrochemical industries in the area was increasing, providing jobs with pay scales well above the national average. Since then the three-county area labor force of about 182,000 has declined by over 20,000. The annual unemployment rate in the area rose from 16.7 percent in July 1985 to 19.8 percent in June 1986, well above the national annual average unemployment rate of 7.1 percent. Unemployment rates in some of the area's major cities were even higher. For example, the annual average unemployment rate for program year 1985 was 17.9 percent for the city of Orange and 20.8 percent for Port Arthur. A number of specific plant shutdowns and layoffs were largely responsible for the increase in unemployment. The most substantial series of layoffs involved the Texaco Corporation, which has laid off about 3,000 workers since 1982. The most recent layoff, in January 1985, affected nearly 1,400 workers from a variety of semiskilled and skilled trades throughout their refinery. These shutdowns and layoffs have had a "ripple effect" on the remainder of the community which community leaders believe is responsible for other layoffs and shutdowns in the area. For example, Northstar Steel Corporation laid off 200 workers, a local hospital laid off half its staff of 800, and state and local government employment has declined by 300.

Participant Characteristics

For program year 1985 (July 1, 1985, to June 30, 1986), Project Start served workers primarily laid off from the Texaco plant in Port Arthur; however, it was open to all dislocated workers in the area. The participants were generally semiskilled to highly skilled workers, and most had been unemployed for several months before entering the project.

This title III project served 848 dislocated workers in program year 1985. About 4 percent were age 55 and older. While 52 percent had formal education or training beyond high school, about 8 percent had less than a high school education. Seventy percent were male and 34 percent were minorities.

Project Outcomes

During program year 1984, Project Start placed 85 percent of project terminees in jobs. The participant placement rate declined to 65 percent in program year 1985, but increased to 99 percent for the period July 1, 1986, to January 31, 1987. Project officials said that the lower placement rate in program year 1985 was not typical of the overall project performance and was caused by a change in reporting requirements. They said project participants still in the program at the end of program year 1985 were counted as not being placed even though many of them, after completing training, found jobs during the 3-month period following the completion of the program year. The average wage at placement was about $7.00 an hour. Officials from the local employment office operated by the Texas Employment Commission (this is separate from the Golden Triangle Worker Assistance Program JTPA title III project) said that stable jobs were very hard to find in the area. Most of the jobs listed by the local employment office were for temporary, seasonal, or low-skilled work. About 60 percent of its non-JTPA title III placements were in jobs with wages below $4.50 an hour; in contrast, over 75 percent of project placements since July 1, 1986, were in jobs paying $4.50 or more. The average cost per placement was $1,863.

Project Activities

Project officials described this title III project as providing a combination of activities based on a two-tier approach. Tier I, provided to all dislocated workers, consists of detailed intake and orientation, a job search workshop, and detailed employability skills assessment. Direct job search assistance was provided to participants whose current skills were found to be marketable. Participants who were identified as needing skill training were provided tier II services consisting of OJT and classroom training.

The project has active outreach activities that advertise the services offered by the title III program. Upon entering the program, participant eligibility is determined and an individual needs assessment is performed. Information is obtained on work history, education, and financial status. The project's job search workshop is mandatory for all participants. This provides instruction on how to locate suitable job openings and effectively apply and interview for employment. At the completion of the workshop, project developers help participants find employment. Participants unable to immediately find employment have access to a job club for further support and assistance. Vocational and personal counseling are also provided.

The project's three job developers are responsible for identifying job openings and OJT opportunities for program participants with an objective of securing permanent employment. In program year 1985, 88 participants received OJT, which generally lasted about 6 weeks. OJT placements were made in a wide variety of manufacturing and service sector establishments. At one site, seven participants had been trained to assemble fire-fighting equipment. Their starting wage ranged from $4.00 to $5.50 an hour. Only one of these was terminated by the employer; the others were either provided permanent positions, some with promotions, or voluntarily left the company for other jobs paying higher wages. Another OJT experience provided participants training to care for mentally ill patients. Entry-level wages for these placements were between $5.20 and $6.50 an hour, and all participants completing the training became permanent employees.

Classroom training was available to participants who needed to update their skills or learn new ones. Training was usually subcontracted to various local trade schools providing training, for example, in graphic arts, printing, and word processing. According to project officials, participants completing such training could expect to obtain employment paying between $4.50 and $6.00 an hour.

Conclusion

Although most participants had been unemployed for several months before enrolling in the project, we believe that through Project Start's detailed individual employability assessment, project staff are able to identify the activities best suited to each participant's needs, and thus participants were better able to secure reemployment at competitive wages despite the high unemployment rates prevailing in the area.

EVERETT, WASHINGTON

Background/Economic Setting

Everett is in Snohomish County on the northeastern shore of Puget Sound. The Washington Employment Security Department operates the dislocated worker program with JTPA title III formula funds and serves Snohomish County through the local Job Service office. The Washington Employment Security Department established the Everett project as a part of the statewide Special Employment Training Service program designed to serve workers dislocated from closures or layoffs. The local Job Service manager operated the dislocated worker program, JTPA title IIA (a program serving economically disadvantaged workers), and the Trade Adjustment Assistance program and also coordinated services with other local employment agencies.

The Everett area has a diverse economy. The region has experienced a shift away from traditional blue collar jobs in such industries as timber and food processing, toward employment in the region's expanding "high tech" and aircraft industries. However, this transition has not been without its casualties. The loss of jobs in certain sectors has resulted in pockets of unemployment. During program year 1985 the unemployment rate for the city of Everett averaged 8.1 percent, above the national annual average unemployment rate of 7.1 percent, while the Snohomish County rate was 6.8 percent.

Participant Characteristics

During program year 1985 (July 1, 1985, to June 30, 1986), the Everett project served 174 workers dislocated from a number of different closures and layoffs. Most workers were previously employed in manufacturing industries. Of the workers enrolled in program year 1985, 9 percent were 55 years of age or older and over 50 percent had education beyond high school, while about 11 percent had not completed high school. The project participants were predominantly male (86 percent) and 6 percent were minorities.

Project Outcomes

During program year 1985, about 78 percent of the Everett project's terminees were placed into unsubsidized employment. The average wage at placement was $7.92 per hour which, while considerably less than the $10.58 average wage before dislocation, was higher than the average wage in the area. The average cost per placement was $968.

Based on our analysis of project data for program year 1986, many participants who received skill training made a significant

occupational change from their prior jobs. For example, one lumbermill worker became a computer systems salesman after completing 8 months of training at the Lake Washington Vocational and Technical Center. In another case, a crane operator became an airplane assembly worker after a month of training as a jig builder.

Project Activities

While the Everett project provided classroom training to 25 percent of project participants and OJT to 7 percent of project participants, according to project officials the principal service provided was job search assistance, which 85 percent of project participants received. During the intake process, participant eligibility is determined, after which participants are enrolled in group job search assistance activities and receive an assessment of whether training is appropriate. A principal component of this project involves the group self-help activity, which focuses on the development or enhancement of job search skills. Participants initiate their own active job search with support from group members and assistance from project staff, who provide labor market information. While working in the group setting, each participant learns and practices specific job hunting methods. Participants also discuss interviewing strategies and practice interviewing, which the instructor and other participants critique. The key feature of the job search assistance activity is the emphasis on participant self-reliance. While the workshop instructor and other project staff are available to help participants, the goal of the workshop is to provide participants with sufficient training in job search techniques so that they can identify their own job opportunities, prepare their own resume and job application, and effectively complete the job interview. The job search workshop requires, on average, no more than 30 days to complete.

For classroom training the Everett project contracted with a variety of local institutions, including Everett Community College, the Small Business Center, Lake Washington Vocational and Technical Center, Edmonds Community College, and an assortment of private schools. Training was provided for various fields and skills, such as computer technician, business computers, electronic technician, auto mechanic, medical assistant, library technician, and law enforcement.

Conclusion

The combination of assistance provided by the Everett title III project, including job search assistance, classroom training, and OJT, in our opinion, enabled dislocated workers in the Everett area to obtain jobs that they otherwise might not have been able to identify or obtain.

JOLIET, ILLINOIS

Background/Economic Setting

This JTPA title III project is operated by the Institute of Economic Technology, a part of Joliet Junior College. The project serves dislocated workers from Will County, which contains the city of Joliet; Grundy County; and any other dislocated worker center that has an operating agreement with the Institute. The Institute also manages economic development in the area's enterprise zone. This program has been in operation since July 17, 1983.

Joliet, which is located 35 miles southwest of Chicago, was mainly a heavily industrialized community. The area surrounding Joliet is characterized by small communities dotting the rural countryside. The manufacturing industry has traditionally been the source of most employment for the area served by this program.

The area averaged an unemployment rate of 8 percent for program year 1985 (July 1, 1985, to June 30, 1986), while the unemployment rate for Joliet averaged 11 percent, above the national annual average unemployment rate of 7.1 percent. Although unemployment has been decreasing over the past 4 years, the area is still economically troubled. The majority of workers served by this project are semiskilled to highly skilled for occupations that are no longer in demand, particularly in the manufacturing industry.

The large manufacturers, such as Caterpillar, General Motors, U.S. Steel, and Texaco, no longer are the primary employers in the area, and small to medium size manufacturing companies are now the major source of new employment.

Participant Characteristics

This project served 917 dislocated workers during program year 1985. About 5 percent of project participants were age 55 and older, and about 18 percent had less than a high school education. About 65 percent of the project participants were male, and 33 percent were minorities. The project serves all eligible dislocated workers and has an additional JTPA title III grant from the Secretary of Labor's discretionary fund for workers dislocated from Caterpillar Tractor in 1983.

Project Outcomes

In program year 1985, the Joliet title III project placed 86 percent of project terminees. The average wage at placement was $8.27 per hour, ranging from $5.52 to $8.91 per hour. Although

the average wage level for those who found employment after participation was generally lower than their wage before dislocation, it was higher than the wages offered for openings listed with the state Employment Service. Most job openings listed with the local Employment Service office offered between $3.35 and $7.00 per hour. The average cost per placement was $1,120, which included classroom training at Joliet Junior College at a rate of $18 per credit hour.

Project Activities

Project officials told us that the philosophy of their project was that significant intervention generally is required to change occupations, and therefore, classroom skill training is emphasized. About 55 percent of the 1985 participants received classroom skill training. The program also offers job search assistance, job counseling, direct placement assistance, and OJT. Project staff told us that each participant who enters the program goes through an extensive assessment process to determine his or her employability, aptitude, ability, and interests. Upon completion of intake and assessment, a determination is made by the participant and a program counselor whether the participant should enter training activities or direct job placement.

If direct job placement is selected, the participant enters a job skill workshop and/or job club, which all participants are encouraged to take in order to learn job search skills. Since many of these workers never experienced a job search, they need to be coached in such activities as resume writing, telephone interviewing, personal interviewing, and techniques on how to identify job openings.

If training is selected, participants either enter a long-term vocational/occupational training program at the junior college based on their aptitudes and interests or are placed in OJT. According to project officials, classroom training averages about 39 weeks in length and participants usually take 12 to 15 credits per semester. Participants are encouraged to obtain a certificate or an associates degree, but short-term, noncredit programs are also available. The occupations the participants receive training in vary from industrial trades, such as industrial electrician, automotive service, mechanical production technology, and electronics technology, to service occupations, such as computer science programmer, nursing, data entry operation, and secretary-legal services.

We observed students receiving training in electrical/ electronics automated systems technology--a 2-year program in which students learn to use state-of-the-art automated controls equipment for industrial processes. The culinary arts program has students operate the school's food service program. They

also learn hotel and restaurant management skills by operating a hotel and restaurant in downtown Joliet.

For participants who need financial assistance to maintain themselves and their families while being trained, the program provides assistance in obtaining Pell Grants, part-time employment through the Employment Service, and social service assistance. According to the title III staff, participants are contacted frequently and follow-ups are made on a quarterly basis to ensure that they are attending classes and maintaining adequate grades. Some of the participants we talked to told us that they had talked with project staff several times during the prior 3 months.

Participants not in need of long-term retraining or who chose not to make the commitment may enter an OJT slot. About 4 percent of the program participants received OJT. Program administrators advised us that because they were involved in the economic development of the Joliet area, they have been able to attract new employers into the area and provide OJT and direct placement opportunities for participants. The Institute actively solicits companies to locate in the community and highlights the availability of a skilled labor force, some of whom are title III participants. According to project officials, the Institute has attracted three new companies to the area in the past year. One is a company that makes comforters and is headquartered in Scotland but has located a small factory in Joliet. The entire work force at this establishment is made up of former title III participants. The company is currently expanding and plans to hire more title III participants for both OJT and direct placement. The wage levels for workers at this company range from $4.00 to $9.00 per hour. The work entails sewing machine operation, stitching machine operation, packaging, shipping, and office work.

Another company to locate in Joliet is a branch of an English snack company. This company has hired one automated systems graduate for a management position and plans to hire 12 to 13 title III participants for OJT slots. Once the company is in full operation, it plans to hire 26 title III participants through either OJT or direct placement. According to company officials, the wage range at this company will be $9.00 to $12.00 per hour. The OJT slots will run for about 6 months when, upon successful completion, the participant is expected to become a full-time permanent employee.

Conclusion

We believe the Joliet project's extensive long-term classroom training through Joliet Junior College and personal counseling and support, including assistance in obtaining financial aid to complete training, likely enabled dislocated workers to obtain

permanent reemployment. The program's success in attracting new employers as described above also enhanced their development of OJT and direct placement opportunities for project participants.

SANTA CRUZ, CALIFORNIA

Background/Economic Setting

Dislocated workers in Santa Cruz County are served by the County's Human Resources Agency title III program. The county consolidated all of the social service programs into one agency. The state oversees the county administration of the program on a day-to-day basis with title III comprising a major division within the structure (6 percent of the Human Resources budget). The Santa Cruz Human Resources Agency obtains its money from the State on a formula basis and operates as the SDA/PIC for the county. This title III program has been in operation since January 1985.

Santa Cruz is a rural, small business community. The county is geographically isolated by mountains north and east, Monterey Bay to the west, and the Pajaro River to the south. Santa Cruz has nearly 5,000 small businesses, and approximately 80 percent employ 20 or fewer people. All eligible dislocated workers are served by this program.

The county is expected to show a net increase in jobs through 1987. The manufacturing sector, led by the electronics industry, is expected to grow moderately. The retail and service industries have been steadily growing and are generating most of the new job opportunities in the area. The average unemployment rate for the county during program year 1985 (July 1, 1985, to June 30, 1986) was 8.7 percent, well above the national unemployment average for that period of 7.1 percent.

Participant Characteristics

Program participants generally come from the electronics industry, and most work in production assembly. In program year 1985, this title III program served 54 dislocated workers. Seventy-eight percent of the participants were of prime working age (22-44), and 4 percent were 55 and older. Most (57 percent) were male, and one-third were minorities. Approximately 11 percent of the participants had less than a high school education.

Project Outcomes

This title III program had a placement rate of 77 percent. The average wage at placement was $5.50 per hour, ranging from $4.00 to $25.00 per hour, about 63 percent were in the $4.00 to $6.00 per hour range. These wages were higher than those offered through the state Employment Service office, where 72 percent of the jobs offered wages between $3.35 and $6.00 per hour. The

average cost per placement was $3,317, which included a classroom training cost of $2,400 per participant.

Project Activities

This title III program offers a combination of assistance, including job search assistance, job counseling and job development services, and OJT. About 30 percent of the participants received classroom training, while 56 percent entered OJT placements. Only 15 percent received direct job placement assistance.

According to project officials, the program contracted with Worldwide Educational Services for classroom training as well as for some OJT placements. All participants were tested in basic skills upon entering the program. If participants were qualified, they could obtain a direct job placement or, based upon the counselor's evaluation, they could enter either classroom or OJT. All participants conducted "field surveys" on industries that interested them. This survey involved talking with people in the industry to determine if the participant was qualified for an OJT slot or direct placement or if they were willing to enter classroom training to become qualified.

The responsibility to develop OJT slots was shared between the title III program and its contractors. The length of the OJT varied but generally lasted for 3 to 4 months. Classroom training lasted from 8 to 18 weeks depending upon the occupation. Classes were offered in accounting/bookkeeping/clerical, customer service representative, and electronic/digital service technician.

The contractor for OJT slots for title III placed 20 participants in program year 1985 with various area employers. One long-term unemployed participant was placed with an equipment rental company. He initially was denied the job; however, upon intervention from the contractor, he was hired. His work involved the maintenance and repair of equipment ranging from lawnmowers to large construction equipment. His OJT placement began in September 1985 and paid $5.00 an hour, and he was hired permanently in December 1985 at $5.50 an hour.

We interviewed two title III participants who were enrolled in the classroom in electronics. One had been laid off from an electronics firm, where he was involved in the shipping/receiving department. The other was laid off from a computer company, where she was a data entry operator. Both were expected to graduate in the spring of 1987. According to state Employment Service data, the expected starting wages for the electronics field are between $4.00 and $5.00 per hour.

Conclusion

We believe the Santa Cruz program, through its individualized skill and interest assessment, developed a combination of services for participants that enabled them to secure new employment at competitive wages.

SUFFOLK COUNTY, NEW YORK

Background/Economic Setting

Dislocated workers from Suffolk County are served by the title III project operated by the county Department of Labor. The county Department of Labor also operates employment and training programs for the economically disadvantaged in the SDA under title IIA of the JTPA. The county is the SDA. The county has been operating JTPA employment and training programs since the inception of the program and formerly operated similar programs under the Comprehensive Employment and Training Act.

Suffolk County, the eastern-most county on Long Island, is characterized by numerous small communities with much of the area remaining rural. The economy of Suffolk County is rapidly changing. The county previously served as a commuter community with many residents working in adjacent Nassau County or in New York City. Recently the area's economy has begun to expand dramatically, with employment growth in small manufacturing and service industries. Employment in the county is about 674,000 and is expected to increase by about 19 percent in 1987. Employment expansion will be led by manufacturing, which is expected to increase employment by about 36 percent. In addition, constuction, wholesale trade, and service industries are expected to expand by more than 15 percent. The unemployment rate for Suffolk County in June 1986 was 4.7 percent, below the national average of 7.1 percent. The county, therefore, has little excess labor supply, resulting in a tight labor market, which has contributed to the relatively high wage rates for low and unskilled workers.

There have been relatively few business closures or large permanent layoffs in the area that resulted in the dislocation of significant numbers of workers. With the expanding economy in the area, we were told by program officials that skilled workers who are dislocated can become reemployed quite readily. As a result, the title III program in this area principally serves the long-term unemployed and workers who possess few or limited job skills who have been dislocated from a variety of industries and occupations.

Participant Characteristics

This title III program operates on a calendar year basis and in the first 11 months of 1986 served 219 workers, about the same number who were served in 1985. About 68 percent of program participants were of prime working age (22-44), while about 4 percent were 55 years or older. The participants were predominently male (78 percent) and 41 percent were minorities. About one-quarter of the participants had less than a high school

education. Nearly all participants in the title III program were also receiving benefits from the JTPA title IIA program, also operated by the county Department of Labor, which provides employment and training assistance to economically disadvantaged adults.

Project Outcomes

The overall placement rate for this project in 1986 was 70 percent. The average placement wage was $5.61 per hour, ranging from $3.35 to $10.15 per hour. Slightly more than one-third of placements earned less than $5.00 per hour; more than half, 53 percent, earned between $5.00 and $7.00 per hour; and 10 percent earned $7.00 per hour or more. Essentially all OJT participants were hired by the employer who provided the training. The average cost per placement was $1,440. The program enabled low-skilled, long-term unemployed to obtain employment in semiskilled jobs, such as machine operators and clutch rebuilders. These jobs provide stable employment with the opportunity for future advancement.

According to Employment Service officials, employment opportunities in the area available through the local Employment Service office included retail sales positions and jobs for unskilled workers. Many of the job listings were for temporary or seasonal work. The wages offered for these jobs were generally the lowest paid in the area, starting at minimum wage, but most were in the $4.00 to $5.50 an hour range.

Project Activities

New York State legislated that 50 percent of the JTPA title III funds must be used for OJT activities. The Suffolk County program enrolled 87 percent of 1986 participants in OJT. Relatively few participants, 5 percent, were enrolled in classroom skill training, and 16 percent were placed directly in jobs without training.

Project officials told us that due to the tight labor market and the 50-percent state requirement, this project chose to stress the use of OJT to provide training to program participants and to obtain stable, long-term employment opportunities. Job developers are assigned territories in which to find employers who are willing to hire low-skilled labor for OJT. Over 50 different local employers provided OJT slots. About 5 percent of participants were in OJT for at least 4 weeks and some OJT lasted as long as 16 weeks. The typical OJT experience, however, was for a period of 8 to 10 weeks, full time.

The industries and employers where OJT placements were made included a wide variety of small establishments in the manufacturing and service sectors offering training in various

occupations. The title III job developers emphasized placing participants with employers who offer the potential for long-term employment at competitive wages and where there was opportunity for advancement.

One participant, for example, was placed in OJT with a manufacturer of brass lamp parts and accessories. The participant was trained to operate machinery that produced these parts from brass rods. The opportunity to advance to a position operating more complex machinery was present, as was the opportunity to become a "set up" person, whose job entails the programming of the machinery controls. This person's wage prior to dislocation was $5.00 per hour. The starting wage with this company was $5.50 per hour.

Another participant was placed in an OJT setting with a company that rebuilt automotive clutch assemblies. The participant was first assigned to the operation of relatively simple machinery that formed parts. Following satisfactory progress learning the processes, advancement opportunity was offered to more complex tasks, such as the reassembly of clutches. This worker's previous work experience was sporadic and intermittent, paying wages between $3.35 and $5.00 per hour. The starting wage at this company was $4.85 per hour.

Conclusion

The Suffolk County JTPA title III project's extensive job development and reputation with local area employers, in our opinion, have enabled dislocated workers, who were predominantly economically disadvantaged, to find permanent employment at wages generally higher than those available in the area.

TACOMA, WASHINGTON

Background/Economic Setting

This project was initiated in response to the announcement by ASARCO corporate officials on June 27, 1984, that the copper smelting operations at the Tacoma plant would be terminated in February 1985. Following the announcement, a local task force was formed that included representatives from the Tacoma-Pierce County Economic Development Board, ASARCO, the Steelworkers and Teamsters unions, the PIC, the Tacoma Job Service Center, the Tacoma-Pierce County Employment and Training Consortium (the local SDA), United Way, the state legislature, congressional staff, and the state Employment Security Department's Office of Dislocated Workers (responsible for all state JTPA title III projects). The task force coordinated local and state resources to establish prelayoff assistance, and on September 6, 1984, the ASARCO Workers Resource Center opened at the local union hall.

The closing of the ASARCO-Tacoma plant affected about 500 of the plant's employees and reduced employment in the primary metals industry in the Tacoma area by almost a third. This compounded the already above-average job losses to the Tacoma manufacturing employment base. The average annual unemployment rate for Tacoma during the 1985 program year (July 1, 1985, to June 30, 1986) was 8.2 percent, above the national annual average unemployment rate of 7.1 percent.

To help fund the center's operation and provide assistance to ASARCO dislocated workers, the ASARCO task force, in conjunction with the state Employment Security Department's Office of Dislocated Workers, applied for and received Department of Labor JTPA title III discretionary funds.

Participant Characteristics

The project served 338 workers dislocated by the ASARCO closing. About 97 percent of the participants were male, and about 9 percent were age 55 or older. Most participants (86 percent) had at least a high school education, and 13 percent were minorities. Based on an analysis of workers at the ASARCO plant, project officials estimated that most of the dislocated workers were long-term employees who averaged about 15 years' employment at the plant. They also estimated that the average wage for hourly workers was about $12.43 an hour. Most of the title III participants (60 percent) were semiskilled to highly skilled, but according to the project operator, none of the ASARCO workers in the trades craft occupations met union journeyman requirements, and many did not have transferable skills. Project officials estimated that 95 percent of the hourly workers would need

training to augment their current skills to qualify for comparable jobs outside the plant.

Project Outcomes

In program year 1985, about 83 percent of the ASARCO project terminees found employment in a variety of occupations. For many of these workers, the changes in occupations were dramatic. For example, one worker from the ASARCO smelter, after receiving classroom training in computer repair and a period of OJT with a Tacoma computer company, was employed as a computer repairman. His employer advised us that the transition from the smelter floor to the "white collar" world of the computer had required considerable effort but had been successful. In another case, the ASARCO worker expressed an interest in starting his own business providing lawn care services. While he had the technical skills needed, he had no experience in operating his own business and further testing identified some limitations in basic math skills. After receiving some remedial training in math and participating in the Tacoma Small Business Incubator, he opened his own landscaping business.

While most ASARCO workers returned to work at lower pay, their pay was still higher than the average wage for the Tacoma area. Before closure the average hourly wage at ASARCO was $12.43. The average placement wage for project participants was $10.24 per hour. The average cost per placement was $3,332, which included classroom training costs of $1,500 to $2,000 per participant.

Project Activities

At the ASARCO Workers Resource Center, job counselors and job developers work with each participant individually to identify their skills and interests using an assortment of basic skill tests and aptitude tests. Using a computerized system containing over 90 percent of the occupations in the local job market, we observed project staff working with participants to identify the skills needed to be successful in each job. By matching the skills of a participant against the skills needed for a potential job in the area, the counselor can help participants develop a specific strategy, which may include classroom training or OJT. In program year 1985, every participant received this skill assessment and job counseling assistance. About 62 percent received classroom training, and 5 percent were placed in OJT positions.

In two cases, participants sought to start their own business. However, the one participant had only a 6th grade math skill level, while the computer program indicated at least a 9th grade math level was needed. The participant's strategy was to attend a remedial math class to increase his math skills so that he could operate his own business. The other participant had the

technical training needed to operate a German bakery and restaurant but lacked the business training needed. To assist him and other ASARCO workers interested in starting their own business, the ASARCO project developed an agreement with the Tacoma Small Business Incubator, a local business development organization, which provided management and marketing training.

Conclusion

In our opinion the personal assessment and extensive classroom training provided to dislocated ASARCO workers appears to have significantly contributed to their successful transition to new jobs in different occupations at wages generally higher than those available in the area.

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